

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Richard P. Krasnow

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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| In re | : | Chapter 11 Case No. |
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| LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>, | : | 08-13555 (JMP) |
| | : | |
| Debtors. | : | (Jointly Administered) |
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**NOTICE OF THIRTEENTH SUPPLEMENTAL DECLARATION
OF ALVAREZ & MARSAL NORTH AMERICA, LLC IN
CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

PLEASE TAKE NOTICE that, on June 29, 2011, Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the "Debtors") filed the attached Thirteenth Supplemental Declaration of Alvarez & Marsal North America, LLC in compliance with the Order Approving Application Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code for Authorization to

Employ and Retain Alvarez & Marsal North America, LLC.

Dated: June 29, 2011
New York, New York

/s/ Richard P. Krasnow
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New York, New York 10153
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| | : |
| Debtors. | : |
| | : |
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Chapter 11 Case No.
08-13555 (JMP)
(Jointly Administered)

**THIRTEENTH SUPPLEMENTAL DECLARATION OF ALVAREZ & MARSAL NORTH
AMERICA, LLC IN CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

John Suckow makes this declaration under 28 U.S.C. § 1746, and states:

1. I am a Managing Director with Alvarez & Marsal North America, LLC (together with its wholly owned subsidiaries, affiliates (which are owned by Alvarez & Marsal North America, LLC's parent company, Alvarez & Marsal Holdings, LLC ("A&M Holdings") and employees), agents, independent contractors, and employees, "A&M"), a restructuring advisory services firm with numerous offices throughout the world. Unless otherwise stated herein, I have personal knowledge of the facts set forth herein or have been informed of such matters by professionals of A&M. To the extent any information disclosed herein requires amendment or modification upon A&M's completion of further review or as additional party in interest information becomes available to it, a further supplemental declaration reflecting such amended or modified information will be submitted to the Court.

2. A&M has previously submitted declarations dated October 8, 2008 [ECF No. 760]; November 4, 2008 [ECF No. 1366]; November 17, 2008 [ECF No. 1559]; February 6, 2009 [ECF No. 2754]; May 19, 2009 [ECF No. 3606]; September 16, 2009 [ECF No. 5196]; November 4, 2009 [ECF No. 5706]; November 25, 2009 [ECF No. 5947]; February 19, 2010 [ECF No. 7173]; June 18, 2010 [ECF No. 9671]; September 8, 2010 [ECF No. 11210];

November 19, 2010 [ECF No. 12945]; and March 21, 2011 [ECF No. 15215] (collectively the “Prior Declarations”) in support of the October 8, 2008 application (the “Application”) of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above referenced chapter 11 cases, as debtors in possession (together the “Debtors” and collectively with their non-debtor affiliates “Lehman”), pursuant to sections 105(a) and 363(b) of chapter 11 of the United States Code (the “Bankruptcy Code”) for Authorization to Employ and Retain Alvarez & Marsal North America, LLC to Provide the Debtors With a Chief Restructuring Officer and Additional Personnel, and to Appoint the Chief Restructuring Officer *Nunc Pro Tunc* to September 15, 2008. [ECF No. 760].

3. On December 17, 2008, the United States Bankruptcy Court for the Southern District of New York entered an order approving the Application and the Debtors’ employment and retention of A&M. [ECF No. 2278].

4. I am submitting this Thirteenth Supplemental Declaration to publicly disclose certain additional information that has become available to A&M since the filing of the Prior Declarations.

Additional Parties In Interest

5. As set forth in the Prior Declarations, and in connection with its proposed retention by the Debtors in these cases, A&M has undertaken an ongoing analysis to determine whether it has any conflicts or other relationships that might cause it not to be disinterested or to hold or represent interests adverse to the Debtors.

6. Specifically, A&M becomes aware, from time to time, of relationships it has with parties-in-interest to the Debtors’ cases (“Parties-In-Interest”). In addition to the matters

disclosed in Prior Declarations, since the filing of the last declaration (the “Twelfth Declaration”) it has come to our attention that

- a. A&M or its affiliates provide consulting services to the Parties in Interest listed below (or their affiliates) with respect to matters unrelated to the Debtors or their Chapter 11 cases. These Parties in Interest or their affiliates have filed claims against the Debtors.
 - Aetna Inc.
 - Tudor Pickering & Holt & Co.
 - Wellpoint Inc.
 - BosPower (A&M’s services are to BosPower’s equity sponsor in matters unrelated to BosPower)
- b. A&M or its affiliates provide consulting services to the Parties in Interest listed below (or their affiliates). The Debtors hold certain investments (ie, loans, bonds or equity interests) (the “Debtor Investments”) in these Parties in Interest or their affiliates. The services provided are with respect to matters unrelated to the Debtors or the Debtor Investments.
 - Community Healthcare (a Debtor is a participant in Community Healthcare’s term loan; the Debtors hold less than 1% of the outstanding balance of such loan)
 - Embarcardero Aircraft Securitization Trust (75% of this entity is owned by Lehman Aircraft Securitization Holdings Inc., a Debtor subsidiary)

- Michael's Stores (a Debtor is a participant in Michael's Stores' term loan the Debtors hold less than 1% of the outstanding balance of such loan)
- c. A&M provides consulting services to a client in connection with its evaluation of a potential transaction (the "DE Shaw Matter") with a portfolio company of D.E. Shaw and/or certain of D.E. Shaw's affiliates ("DE Shaw"). The Debtors currently hold debt and equity investments in D.E. Shaw amounting to approximately 25% of the general partnership interest in DE Shaw's primary investment funds and certain other limited partnership interests. No A&M personnel that provide services to the Debtors will be involved in the services provided with respect to the DE Shaw Matter.
- d. Certain A&M affiliates provide financial restructuring advisory services to Seat Pagine Gialle SpA ("SPG"). The Debtors are participants in SPG's senior debt facilities. The Debtors holdings amount to less than 0.5% of SPG's outstanding debt. A&M personnel will recuse themselves from Debtor matters relating to SPG.
- e. An A&M affiliate provides consulting services to a particular client and certain of its affiliates and subsidiaries (together, "Company A"). In addition, on a separate matter another A&M affiliate is providing consulting services to another client in connection with its evaluation of a potential transaction to purchase certain assets from Company A. Due to certain confidentiality restrictions and concerns, A&M may not reveal the identity of Company A at this time. The Debtors are participants in Company A's term and revolving loan facilities (the "Loans").

The Debtors' holdings in the Loans total approximately \$160 million (by unpaid principal balance), which amounts to less than 10% of Company A's outstanding debt. In addition the Debtors have unfunded commitments under Company A's revolving loan facility of approximately \$190 million. Though the consulting services described above are unrelated to the Debtors and their Chapter 11 cases, out of an abundance of caution, A&M personnel will recuse themselves from Debtor matters relating to Company A.

- f. As disclosed in A&M's Twelfth Declaration, Alvarez & Marsal Inc. holds a controlling interest in both Alvarez & Marsal Capital Real Estate, LLC ("A&M CapRE") and A&M Holdings. A&M CapRE's primary business strategies include acting as a principal investor and asset manager of real estate assets. In addition to the disclosures in the Twelfth Declaration regarding A&M CapRE, A&M CapRE has a relationship with Stone Tower Capital ("Stone Tower"), which may invest in certain real estate projects owned and/or managed by A&M CapRE. Stone Tower Credit Master Fund Ltd., a fund managed by Stone Tower, has filed a claim of approximately \$1.5 million against the Debtors.

7. A&M does not believe that any of the additional disclosures described above create conflicts of interest regarding the Debtors or their chapter 11 cases. A&M continues to believe that it is “disinterested” within the meaning of the term as it is used in section 101(14) of title 11 of the United States Code.

I declare under penalty of perjury that, to the best of my knowledge, and after reasonable inquiry, the foregoing is true and correct.

Dated: June 29, 2011
New York, New York

/s/ John Suckow
John Suckow, Managing Director